

SENATE BILL 487

By Burchett

AN ACT to amend Tennessee Code Annotated, Title 50,  
Chapter 6, Part 4, relative to relative to workers'  
compensation penalties.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 50-6-412(b), is amended by deleting subdivision (3) in its entirety and by substituting instead the following:

(3) If any monetary penalty is assessed against an employer it shall be held in abeyance pursuant to this section. The period of abeyance shall be one (1) year. Any abated penalty becomes void upon the expiration of the one-year period; provided, that the employer remained subject to this chapter during the one-year period and continuously secured payment of compensation as required by law. Any abated penalty becomes voidable, if within the one-year period, the employer provides notice to the commissioner that the employer is no longer subject to this chapter and upon concurrence of the commissioner that the employer is no longer subject to this chapter, the penalty shall become void. Any abated penalty shall become due and payable immediately if, within the one-year period, the employer continues to be subject to this chapter and fails to secure payment of compensation as required by law within thirty (30) days of the monetary penalty being imposed.

SECTION 2. This act shall take effect July 1, 2009, the public welfare requiring it.